

914 INC.

AGENDA

THE CORNER OFFICE

An Instrumental Approach

The low-key CEO of Curtis Instruments, Stuart Marwell, is a consensus-builder who shows he values and appreciates his employees not just with words, but with actions (like gifting staffers an extra check on their annual work anniversaries). See what else Marwell's doing at the Mount Kisco-based electronics-component manufacturer to prove that turning a profit and treating people with humanity can go hand in hand after all.



LEADING BY EXAMPLE

Stuart Marwell is proving it's possible—and important—to treat employees well while turning a profit.

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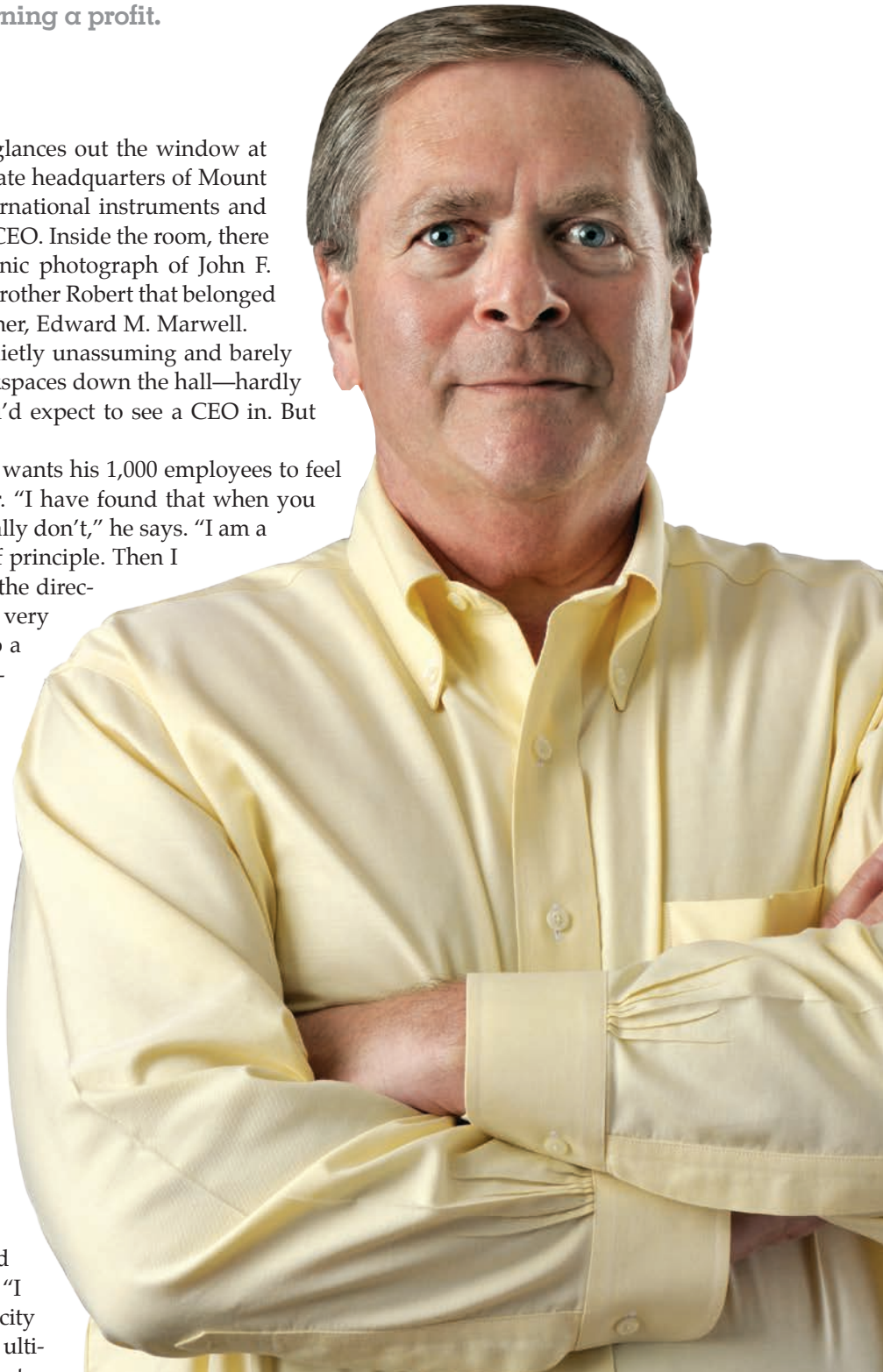
Stuart Marwell sits at his desk and glances out the window at the lush, wooded grounds of the corporate headquarters of Mount Kisco-based Curtis Instruments, an international instruments and controllers manufacturer of which he is CEO. Inside the room, there are a few family snapshots and an iconic photograph of John F. Kennedy deep in conversation with his brother Robert that belonged to the company's founder, Marwell's father, Edward M. Marwell.

Sure, it's the corner office, but it's quietly unassuming and barely bigger than most of his employees' workspaces down the hall—hardly the huge, mahogany-paneled space you'd expect to see a CEO in. But that's kind of the point.

The understated Marwell, 63, clearly wants his 1,000 employees to feel like they are all in the trenches together. "I have found that when you think you have all the answers, you usually don't," he says. "I am a consensus builder, unless it's a matter of principle. Then I will put my foot down. But if it's about the direction we are taking in the company, I am very open to hearing everyone out, maybe to a fault sometimes. Then we make a decision and implement it together, rather than try to force people to do things they don't want to do."

It's a strategy that appears to be working well. Curtis is celebrating its 53rd year in business and is continuing to grow. The motto of the company, which develops the components that run various electronic vehicles like wheelchairs, golf carts, and forklifts, is: "The Curtis Difference: You Feel It When You Drive It." It's a feeling that transcended our stratosphere by way of the astronauts who used its electronics during the Apollo XI moon landing.

Marwell didn't join the family business right away. He trained to be an architect at Harvard and spent 15 years working for the mayor of Boston and others before deciding to join Curtis. "I had developed a lot of knowledge in city planning and design," he says, "and ultimately ended up with an MBA from Boston



University. A lot of what I was doing complemented the skills my dad had, which were primarily marketing, engineering, and sales."

The company had just two foreign subsidiaries in 1983, and under the junior Marwell's direction and with the help of his financial acumen, during the next 10 years it developed much of its current footprint around the world.

Today, the privately held business that began just down the hill from its current location on Kisco Avenue has manufacturing plants in Puerto Rico, China, and Bulgaria, and engineering staff in Switzerland, China, California, and, of course, Mount Kisco, in addition to sales staff stationed around the globe.

What perhaps makes Curtis unique among such global corporations is its humanistic approach to handling its most valued resource: staff. The company created a 10-point outline of the principles that every employee is expected to follow, including its directors. The emphasis is on behaving ethically and fairly towards clients and also with each other internally.

"We didn't just sit down with an advertising agency and come up with those," Marwell explains. "They were codified about 25 years ago as we were rolling out these new companies, and we wanted to make sure we had a focus on ethics."

That concept is indeed rare for a corporation, even noble, but there is also an ulterior motive: When employees feel valued, they tend to stay for the long haul. As a result, Curtis holds onto its talent. For example, Eugene Finger, a former VP of engineering and current special advisor to the company, just celebrated his 50th anniversary there. In his honor, the Curtis engineering building in Mount Kisco was renamed the Eugene P Finger Technical Center.

"At Curtis, a culture of fairness pervades," Finger says. "No matter what, the bottom line never came ahead of our ethics. This corporate philosophy pervaded through transitioning from Edward Marwell to Stuart Marwell. It's a special place. I never once considered an alternative place to work because of it."

But it appears to be company policy to not just treat employees fairly, but also treat them well. In addition to regular vacation time, the Curtis staff receives an additional holiday between Christmas and New Year's, has more than 90 percent of its healthcare costs covered (including dental and vision), and staffers receive an extra check on their hiring anniversary; not a 10- or 20-year anniversary check, but a bonus to commemorate every year they are with the firm—*every* single employee.

"We view ourselves as a family, and I try to have as much contact as I can to everyone in the company," Marwell explains. "I don't know everyone by name, but maybe 400 people, and I know what their families are doing, and my HR departments around the world let me know when people have something happening in their life, whether it's

having a baby or a death in the family."

Respect for employees is perhaps the most important lesson he learned from his father. "One of my first discussions with my dad when I joined the company was whether or not we should create a standard costing system, because I was fresh out of an MBA program," he says, laughing at the memory. But he quickly learned from his father that tightening the bottom line was not an option if it meant overworking employees.

He adds that the mistake many businesses make is believing that turning a profit and treating people well have to be mutually exclusive.

"What happens is that they don't get the discretionary effort from their colleagues that you get when you operate the way we do," he explains of the work-life balance his company is careful to cultivate. "People here go the extra mile. They will come in on the weekend because they care about the company—because the company cares about them. If everybody is on the clock all the time, then you end up with what I view as some sort of mediocre company."

That attitude extends to all of his foreign employees as well. Their divisions abroad are wholly managed by local teams that follow the same corporate philosophy as their Westchester colleagues, which allows them to avoid the accusations of worker exploitation that so many US firms have faced abroad in recent years.

"The negative news regarding manufacturing in China, particularly through Apple products and Foxconn and products like that, paints a picture that is the complete and diametric opposite of Curtis Instruments," says Frank Matheis, director of Corporate Marketing Communications. "First of all, we sell our products to Chinese companies that use our technology in forklifts, et cetera. But I have visited our factory there, and it's a clean and beautiful Chinese-managed operation where the people are well treated and well paid, and there are really nice working conditions. So not all companies globally misbehave."

It's a track record that even impressed the president of the United States. In 2010, the White House invited Curtis to participate in a private roundtable discussion on US-Indian business relationships. Marwell got the ultimate nod of approval when President Obama told him, "I read about your company. You are doing a great job."

The president, he says, wanted to talk to firms that had experience dealing with technology ventures between India and the US. They discovered that Curtis had been working with a company called Mahindra-REVA for 16 years. "We talked about the pride we had in having our engineers working on systems to develop electric cars for the Indian market. A lot of people were down on India at that time, so I think the President's point was there are still benefits to strong US-India company relationships, that it's not all a job drain."

Marwell says he can easily envision electric cars domi-

nating in the future in very densely populated places like India or China, while, in this country, hybrids are likely to win out over pure electric vehicles because of the American penchant for driving long distances at a time.

“Have you ever been to India?” he asks. “Most traffic doesn’t move at all, and, if it does, it moves 10 feet and stops. There isn’t a lot of long-distance travel there, so electric vehicles are a great application. We do believe that in markets like India and China, where you have a huge urban infrastructure with a huge concentration of people, there will be some opportunity for electric vehicles [and] also for urban delivery systems. Our German company is working with Deutsche Post [the German post office] now on an electric delivery vehicle. We are devoting our energies to helping promote systems that will support those activities.”

The company continues to grow by designing and developing new products, and, even though Marwell says he likes to putter in the garden of his Katonah home, he really enjoys staying connected to his employees no matter what the time.

“Running a global company, you are always on call,” he admits. “There are literally only 12 hours in a week when the company isn’t working—that’s Sunday, 6 am to 6 pm, when it is the beginning of the workday in China. With iPhones and email, when you wake up at 3 am and can’t go back to sleep, you can answer emails. It may sound like a burden, but it actually makes life so

much easier, because things don’t fester.”

He is also very involved in Westchester community organizations like the Boys & Girls Clubs, Bedford 2020 (a local environmental and sustainability organization), the Mount Kisco Child Care Center, and the Food Bank of Westchester, among a number of others.

Married for 44 years to his high-school sweetheart, Vicki, Marwell has two adult children. Nicolas works for the World Bank, and Elizabeth has worked for *Forbes*. Although both are on the Curtis board, they have not indicated whether or not they plan on joining the family business. And if they should never follow in his footsteps, Marwell is completely at peace with the notion. “We’ll see,” he says without hesitation. “It’s neither an obligation nor a right. Just because they are my children, doesn’t mean they are guaranteed a job here, nor are they obligated to work here. They have to be able to make a significant contribution to the development of the company, or they shouldn’t be part of it.”

Though his demeanor may suggest he’s laid-back, Marwell suggests he is really more of a “walk softly and carry a big stick” sort of guy. “I am a relatively calm person. I have raised my voice maybe twice in the last 10 years. Maybe three times,” he laughs. “But I am persistent when I have a point I want to make.” ●

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